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# MONTHLY REVIEW

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## ECONOMIC PLANNING

PAUL M. SWEEZY

VOL. 12

1

## THE NEGRO AWAKENING

THE EDITORS

*Some Echoes of Jazz*

KENNETH TYNAN

EDITORS . . . LEO HUBERMAN . . . PAUL M. SWEEZY

# CONTENTS

VOLUME TWELVE

NUMBER ONE

MAY 1960

REVIEW OF THE MONTH: The Negro Awakening .....	1
ECONOMIC PLANNING by Paul M. Sweezy .....	7
WHY CUBANS RESENT THE U. S. by Manuel Pedro Gonzalez .....	18
SOME ECHOES OF JAZZ by Kenneth Tynan .....	24
TOWARD A HISTORY OF THE NEW DEAL by George Brand .....	28
A LETTER FROM A STEELWORKER .....	37
WORLD EVENTS by Scott Nearing .....	40
WHERE WE STAND by The Editors .....	46

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## NOTES FROM THE EDITORS

Subscribers in the New York area have already been notified by mail of MR's Eleventh Anniversary Meeting to be held on May 4th. We hope that this issue will be out in time to bring the same message to newsstand buyers of the magazine. The subject of the meeting will be "Report on Cuba," and the speakers will be the editors, who have just returned from Cuba, and Raúl Roa Kouri, Cuban Minister Plenipotentiary and Alternate Delegate to the United Nations. For details, please see the box on the inside back cover. Since we expect a capacity audience, all those who plan to attend would be well advised to get their tickets in advance.

News of Monthly Review Press publications and plans: (1) *Crossing the Line*, by Claud Cockburn, has already been mailed out to prepublication orderers. Publication date is April 29th after which the price goes up to \$3.50. (2) *The Jazz Scene*, by Francis Newton, will be ready shortly (publication date, May 24) but can still be ordered at the prepublication price of \$2.75. This is the book of which *Punch* says: "It is an ideal book for the layman who wants to find out what jazz is all about." Incidentally, *Tribune*, the left-wing British Labor weekly, has revealed that Francis Newton's real identity is Eric Hobsbawm, the brilliant historian of University College, London. (3) For July publication, we are pleased to announce a new book by Maurice Dobb, the well-known Cambridge (England) economist, entitled *An Essay on Economic Growth and Planning*, orders for which are now being accepted at the prepublication price of \$2.25 (after publication it will be \$3.50). Dobb's book, we should warn, is written for an audience of

(continued on inside back cover)

## THE NEGRO AWAKENING

Mankind has a way of summing up the accumulated experience of ages in the form of aphorisms. The one which seems to be most commonly cited in connection with recent events in South Africa has come down to us from the ancient Greeks: "Whom the Gods would destroy they first make mad." No less appropriate, it seems to us, is another which we assume to be of American origin: "God helps those who help themselves."

If the Negroes of South Africa had been willing to suffer in silence, the condition of slavery in which they live would have endured indefinitely. For the last twelve years, the madmen who rule the country have repeatedly demonstrated that they would stop at nothing to enforce their monstrous policy of *apartheid*. Certainly no considerations of humanity would ever have turned them from their course. As for the English-speaking whites and their foreign partners, who have traditionally controlled the main levers of economic power, the vast majority of them were happy to wax fat on the wealth of the African subsoil and the blood and sweat of the African worker. With a few honorable exceptions, they never lifted a finger on behalf of Negro rights and never would have if the Negroes themselves had remained passive. Nor, in the absence of active Negro struggle, would the peoples of the world have been roused to a state of horror and anger which now bids fair to force collective action against those who have so grossly violated the decent opinion of mankind.

Not that the victory has been won in South Africa. Far from it: at the moment of writing, indeed, the government has announced its intention of reimposing the hated pass laws, enforcement of which had been temporarily suspended late in March. But the whole situation has been changed. A process has been started which it is difficult to imagine can now be halted, still less reversed. The victory has not yet been won, but for the first time it is in sight; and that makes all the difference.

The big question now, of course, is whether white South Africa can adjust to the inevitable. If there is any chance, it lies in the cold economic interests of the South African business community. Until recently *apartheid* was synonymous with cheap labor and hence was warmly supported by South African businessmen. Now all at

once it has become a mortal threat to their profits, and they have changed their tune accordingly. This switch is analyzed in an admirable dispatch from Johannesburg by Leonard Ingalls which appeared in the *New York Times* of April 10th:

White South Africans are so accustomed to the many black South Africans around them that they often forget the importance of the Africans to the functioning of the country.

But in the last few tumultuous weeks of racial strife one lesson among many others has been brought sharply home. The lesson is that without black African labor the South African economy would wither and possibly perish. The business community quickly recognized the danger and just as quickly acted to try to persuade Prime Minister Hendrik F. Verwoerd and his government that changes of policy must be made to avert a general strike.

Ingalls cites facts and figures to prove the crucial dependence of the economy on Negro labor and describes the serious effects of Negro stay-home strikes in recent weeks. Then, after noting that among the first to speak out against government policies was Dr. Jan H. Moolman, chairman of the South African Wool Board which supervises one of the country's important export trades, he proceeds as follows:

Within a few days the presidents of the chambers of commerce in several parts of South Africa began to express similar misgivings. It was then that it was disclosed that top leaders in business, finance, and industry had appealed urgently for a meeting with Dr. Verwoerd to discuss a program for relieving some of the grievances felt by the Africans. An extremely important aspect of these developments was that members of the Afrikaner business community joined in.

The Afrikaners, who comprise about 55 percent of South Africa's white population of 3,000,000, are descendants of the early Dutch settlers of South Africa. The other 45 percent are mostly of British ancestry. . . . In the last ten years the Afrikaners, who formerly were mostly farmers, have moved into South African commercial life. They have heavy investments in banks, insurance companies, building societies, factories, and mines. Most of the support for the present nationalist government led by Dr. Verwoerd comes from Afrikaners. But because of their relatively new business interests it is to their advantage, too, to have a stable economy.

As a result the pressures on Dr. Verwoerd to put the political house in order have been tremendous. The big question



## REVIEW OF THE MONTH

is whether he will yield and if he does not what steps may be taken to force a change of government.

In conclusion, Ingalls answers his own question: "If Dr. Verwoerd and his government will not recognize the necessity for modifying their cruel racial attitudes for human reasons they undoubtedly will be forced to do so for economic reasons."

This may be too optimistic, of course. The die-hard Nationalists who control the government may refuse to heed the logic of dollars and cents and may continue on their present course. If so, they will have no one but themselves to blame for the catastrophe that must overtake them. A new day is dawning in South Africa as well as in the rest of the continent, and nothing on earth can bring back the dark night of horror and shame that is now passing.

As we watch this great transformation, surely one of the most momentous in all human history, let us never forget that the driving forces behind it are the struggle of the oppressed and their willingness to sacrifice. It has always been so in every human society based on the exploitation of man by man. The exploiters—the rich, the powerful, the privileged—have never treated the exploited in accordance with the dictates of reason and morality; they have always refused to make meaningful concessions unless obliged to by superior counterforce, or until the exploited have made clear that even if it cost them their very lives they would no longer go on in the old way. When that point is reached, the old system has lost its viability and the use of force to maintain it simply hastens its disintegration. The events of recent weeks signify that that point has at long last been reached in South Africa. Defenceless against a foe equipped with the most deadly arms that modern technology can supply, the South African Negroes have discovered the unanswerable weapon, their own willingness to suffer and die for what they know to be right. In their hour of travail they have achieved true human grandeur, at once awe-inspiring and creative. The world will never be the same again for it.

As far as the United States is concerned, we have as yet no way of judging how profound the impact of South Africa will be. The situation in the deep South is in many ways remarkably similar to that in South Africa. Jim Crow and *apartheid* are not identical, but the similarities are much more important than the differences. Furthermore, Southern Negroes, under the leadership and prodding

of an awakening youth, have been showing a wonderful new combativeness. The sit-in demonstrations at segregated lunch counters throughout most of the South are quite unprecedented and have already lifted the struggle for Negro rights to a new and higher plane.

But the real test is yet to come, the test of the Southern Negroes' willingness to sacrifice to attain their goals. It would be childish to imagine that the white supremacists are going to yield to demonstrations, no matter how numerous or well organized. What we have seen so far is only the first phase of the struggle, and all indications are that the lines are being drawn for the second phase, centering on the counterattack. So far, the counterattack has assumed mostly legal forms—jailings, fines, etc. It is unlikely, however, that such methods will succeed, partly because the American Negro movement is strongest in precisely this area—the NAACP, for example, is almost entirely a legal defense organization—but also because the Supreme Court, representing the interests of the American ruling class as a whole, can and probably will frustrate the white South's use of legal weapons of intimidation. This being the case, we must expect the counterattack to become increasingly violent and terroristic.\*

Terror, open or veiled, has always been the white South's principal means of controlling the Negro population, and in the past it has worked all too effectively. Evidence that more terror will be the answer to the sit-ins is mounting day by day. The story of Birmingham, Alabama, as told by Harrison Salisbury in the *New York Times* of April 12, describes what is happening in many places in the deep South:

Every channel of communication, every medium of mutual interest, every reasoned approach, every inch of middle ground has been fragmented by the emotional dynamite of racism, reinforced by the whip, the razor, the gun, the bomb, the torch, the club, the knife, the mob, the police and many branches of the state's apparatus. . . . "The difference between Johannesburg and Birmingham," said a Negro who came South recently from the Middle West, "is that here they have not yet opened fire with the tanks and big guns."

What we do not know is whether in the new conditions that

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\* It is to be noted that in respect to school desegregation, the Southern states, through such devices as pupil-placement laws, seem to have won the victory, which explains why this issue has not given rise to any great amount of violence.

## REVIEW OF THE MONTH

now prevail terror will continue to work as it has in the past. The answer will depend on the temper and attitudes of the younger generation of Negroes who are now assuming leadership of the liberation struggle. While it is impossible as yet to speak on this with assurance, one would have to be blind not to see the signs of a new determination and militancy. It seems to us that there is at least a strong likelihood that we may soon be witnessing in this country scenes of brutality on the one side and heroism on the other similar in kind even if not in quantity to those so recently enacted in South Africa. If so, the consequences may be no less dramatic. The true nature of the Southern system would be exposed for all to see, and an outraged public opinion would be unlikely to tolerate the kind of evasive inaction which has characterized government policy in recent years. After all, Washington's responsibility for what happens inside the United States is of a very different order from that of the United Nations for what happens in South Africa.

But there is no need to speculate about the form that change will assume in this country. The important thing is to remember that throughout history the way forward for the oppressed has always been through struggle and sacrifice. There is no reason to assume that it will be different for American Negroes. What seems to be opening for them now is a period of great battles, great sorrows, and great victories.

In conclusion, let us note an interesting and hopeful by-product of the current Negro struggle. Throughout the country, college students have responded to the sit-ins by throwing picket lines around the chain stores whose Southern outlets have been the principal targets of attack. This has been a spontaneous movement, organized and controlled by the students themselves, and there seems to be no doubt that it has involved substantial numbers, many of whom have shown little if any interest in politics before and certainly have had no experience of political action. Faculty members in a position to observe closely what has been happening in their own institutions tell us that this movement is totally unlike anything that has occurred in recent years—in fact that one must go back to the days of the CIO organizing campaigns and the Spanish Civil War to find comparable movements.

On the face of it, the student picket lines in the North and West would appear to be simply demonstrations of support for and solidarity with their Negro fellows in the South. That they are this, of course no one would deny. But they seem to be more, too. They are also re-

actions to a spiritual malaise—a sort of mixture of tension, futility, and frustration—that is very widespread among college students. Few of the students understand the social roots of their dissatisfactions, but this does not prevent them from wanting to do something to alleviate them. But what? Their academic work teaches them how to get ahead, not how to lead a better life. Religion is a fake. Politics, as practiced by Republicans and Democrats, are a joke. Under these circumstances, to participate, even if only vicariously, in the very real and deeply moral struggle of their Negro contemporaries, provides a much-needed release for feelings and energies. It takes them, temporarily, out of the morass of frustration and purposelessness in which their lives have been trapped and gives them something to live for—a cause which warms the heart and liberates the soul.

We hope that the awakening which the Negro struggle has brought to the present generation of college students will serve to arouse them to their further responsibility—to join the movement for the liberation of mankind itself from the crippling bondage of a society ruled by the furies of private interest. For those who enlist in that army, the words of Heine will be fitting: "Lay no flowers on my coffin but a sword, to show that I, too, have been a soldier in the war for the emancipation of humanity."

(April 12, 1960)

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Whatever way you choose, choose it with your whole heart. Follow the star that leads you: follow without turning, whatever the toil, whatever the pain. Do not hoard your life: spend it; spend it on an aim outside yourself, the worth of which you feel. It may be that that way you will save your life, it may be you will lose it. But, save it or lose it, you will have saved or lost it well.

—A. C. Pigou

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The whole history of the progress of human liberty shows that all concessions yet made to her august claims have been born of earnest struggle. . . . If there is no struggle, there is no progress.

—Frederick Douglass, 1849

## ECONOMIC PLANNING

BY PAUL M. SWEEZY

This is the text of a talk given to a group of Cuban government officials at the headquarters of the National Institute of Agrarian Reform in Havana on March 22, 1960. Among those who attended and took part in the discussion that followed were Ché Guevara, president of the National Bank; Pedro Miret, minister of agriculture; Antonio Nuñez Jiménez, chief executive officer of INRA; Oscar Pino Santos, chief of the production department, and César Rodríguez, chief of the industrialization department of INRA.

My subject this evening is economic planning, a subject which has a crucial significance for you at this stage of the Cuban Revolution. Unfortunately, I am not an expert in this field of economic science and have had no direct experience in it. This is not false modesty but a simple statement of fact. My specialty is the political economy of *overdeveloped*, not *underdeveloped*, societies; and, as you know, overdeveloped societies, most especially the United States, are not famous for their exploits in economic planning.

If despite this lack of expert knowledge and experience, I have nevertheless accepted the kind invitation of my good friends here to speak to you about economic planning, the reason is that an outsider who is accustomed to looking at current developments in a broad historical perspective may be able to call attention to certain problems and relationships which you who are intimately involved may sometimes tend to overlook or unduly neglect.

First, let us ask the question: Why are the underdeveloped countries today so preoccupied with economic planning? After all, Western Europe and the United States attained to a high degree of industrialization and economic development without economic planning. Why shouldn't their example be followed today?

This is a complicated question to which no brief answer can be altogether satisfactory. But surely the crux of the matter is that economic development in the advanced capitalist countries was basically the work of an *industrial* bourgeoisie which emerged more or less spontaneously, by a process which is not well understood even today, from the decay of Western European feudalism. This industrial bourgeoisie, overcoming the opposition of the feudal lords, became the dominant class in society. It controlled the state and exploited

the peasants and workers. By these methods it acquired the means to accumulate capital and further build up industry.

No such process is possible now—at any rate on anything like the scale necessary to industrialize the much more populous underdeveloped countries of today. The reason is that the bourgeoisie of the advanced capitalist countries, having developed their economies, forcefully established a relationship with the remaining underdeveloped countries which prevents the latter from generating a powerful industrial bourgeoisie of their own and hence prevents them from pursuing the course that the advanced countries followed in earlier times. This relationship is the heart and core of the phenomenon we call imperialism.

This is not to say, of course, that there is *no* bourgeoisie in the underdeveloped countries. There is one, but it is too weak to industrialize these countries, and its capital accumulations tend to flow into such areas of the economy as trade, money-lending, speculation in commodities, real estate, etc. This being the case, it follows that the task of industrializing the underdeveloped countries falls to some other agency than the bourgeoisie. And, for reasons which are obvious enough, that agency can only be the state.

It is important to recognize that this fact necessarily poses the problem of economic planning. The bourgeoisie operated through numerous individual, competing economic enterprises, no one of which was large enough to affect decisively the path of development of the entire economy. Under these conditions, it never occurred to any one to plan in the currently accepted sense of the word. When the bourgeoisie is replaced by the state, however, a single unit takes the place of many as the decisive force in overall development of the economy, and the problem of planning the activity of that single decisive unit unavoidably presents itself. The planning may be well done or badly done, successful or otherwise: the point is simply that the necessity to do some kind of planning becomes self-evident.

It follows, I think, that economic planning as such has little to do with ideology. Regimes of the most varied character inevitably become involved in it as soon as they set themselves the task of developing their respective economies. In underdeveloped countries today, therefore, development and planning are tied together like Siamese twins. And, fundamentally, the problems of planning are the problems of development.

What are these problems?

## ECONOMIC PLANNING

They are many, of course, and any scheme of classification runs the risk of oversimplification. Recognizing this, we may nevertheless find it useful to establish the following pairs of aspects:

- (a) Economic aspects of planning—political aspects of planning.
- (b) Mobilizing the surplus—investing the surplus.
- (c) Formulating the plan—executing the plan.
- (d) Planning in real terms—planning in financial terms.
- (e) Short-term planning—long-term planning.

These pairs are not intended to be dialectical opposites or to suggest the existence of dynamic processes. The schema is adopted simply for convenience of exposition.

Let us start with (a): *Economic aspects of planning — political aspects of planning*. Most of what I have to say bears on the economic aspects of planning, but I would regard any discussion that ignores the political aspects as seriously deficient, because a plan is not only a set of economic policies and directives. It is—or perhaps I should say it can and should be—the tangible expression of a people's will to develop their economy, the embodiment of their hopes and ambitions for a better life for themselves and their children. As such, it can help to mobilize and focus their energies and enthusiasm; it can become in its own right a powerful social force aiding and promoting its own fulfillment. To play this role a plan must be on the one hand bold and imaginative and on the other hand realistic. If it lacks boldness, it will fail to arouse and inspire the people. If it is unrealistic, it will deceive them.

To illustrate the political potential of a plan, I would cite the example of China. The Chinese Revolution has been one of the greatest upheavals of history, and it has put China firmly on the road to becoming a highly developed and powerful nation. In this process, there can be no doubt that the promulgation of plans which have been both enormously ambitious and yet remarkably realistic has been a positive factor of great importance. Planning of this kind helps to maintain the ardor of the people long after the exhilaration of victorious battle has died down. By contrast, there is the case of India where plans have been rather modest, have called for no profound transformations, and have therefore notably failed to captivate the imagination of the people and to spur them on to great efforts and achievements.

Let us now turn to pair (b): *Mobilizing the surplus — invest-*

ing the surplus. These can be said to be the two main tasks of economic planning. For expository reasons we separate them, but in reality they are closely interconnected, since from the very outset the pattern of investment plays a big role in determining output and hence also how much surplus is available for investment.

Mobilizing the surplus means two things: First, increasing production as much as possible; and, second, deciding how much of total production should be channeled into investment. Increasing production is accomplished by putting idle resources to work, by eliminating waste and inefficiency, and by introducing improved methods of production. That these must be primary goals of economic planning needs no emphasis.

The decision as to how much of total production can and should be channeled into investment is perhaps the key planning decision. (I use the term investment to include such things as the training of scientific and technical personnel.) I think there is no doubt that an underdeveloped country should in general be guided by the principle that investment should be maximized—in other words, that consumption should be held down, or even reduced, so long as the effect is not to injure production—and all the rest of the national product should be invested. However, it should be recognized that this is only a general principle and that in practice certain noneconomic factors must be taken into account in determining the rate of investment. I will mention two of these noneconomic factors, both of which I should judge to be of great importance in the case of Cuba. First, it may be necessary to effect an *immediate* improvement in the living standards of some classes or strata of the population in order to strengthen the political foundations of the Revolution. I believe that this has been the case in Cuba and that from this point of view the marked improvement in the living standards of the lower-income groups which has been achieved during the past year is fully justified. Second, it may be unwise—also for political reasons—to reduce too rapidly what may be called the “excess consumption” of the higher-income groups, especially the bourgeoisie and the labor aristocracy. For both these reasons, the rate of investment may justifiably be set at a level considerably below what would be possible from a purely economic point of view.

Let us now assume that a decision has been reached regarding the rate of investment and that as a result the amount of the surplus available for investment is known. How should it be allocated? This,



of course, is a fundamental question of economic planning, and one which has been much debated by economists interested in the problems of economic development. I must limit myself to a few considerations.

First, there is the necessity to keep always in mind that allocating the surplus involves making choices among many possible alternatives—choices which the economic planners can rationally arrive at only if they are given a clear idea of the regime's scale of priorities. Fortunately, this problem is not likely to present great difficulties in the early stages of development, specially in the case of a country like Cuba where for at least the first few years everything has to be subordinated to the task of achieving genuine economic independence. Again fortunately, the achievement of economic independence requires industrialization and diversification, which are goals of the highest desirability in their own right.

Within the scale of priorities set by the goals of economic independence, industrialization, and diversification, there are still many difficult choices to make. For example, as far as possible it is necessary to substitute domestically produced for imported products. Hundreds of products are being imported. For which ones should import substitutes be produced? And by what methods should the import substitutes be produced? In answering these questions, many considerations have to be taken into account, such as the following: the availability of raw materials and unused productive resources, the amount of imported machinery needed to produce the import substitutes, and how quickly the import substitutes can be put into quantity production. (The list of questions is naturally far from complete.)

Some economists have argued that *profitability* should be the determining criterion in deciding how to allocate the surplus. For example, if in some industry a monopoly has been restricting supply and charging high prices—and hence making big profits—these economists would say that the plan should provide for large investments in this industry. I do not agree with this line of reasoning. The industry in question might produce unessential luxuries and/or use large amounts of machinery needed elsewhere. If this is the case, production should remain restricted and prices high, and the state should deal with the problem of monopoly profits in another way—for example, by taxation or by nationalizing the monopoly.

Please do not misunderstand me. I am not suggesting that prices and profits should play no role at all in the planning of investment.

I believe such a conclusion would be utterly wrong. It is of course important to know the cost of everything you produce, and for this purpose there is no substitute for a price and wage system which gives you at least an approximate measure of the relative scarcities of different kinds of goods and the relative productivities of different grades and skills of labor. But it emphatically does *not* follow that the production of all commodities should be pushed to the point where cost equals price. The social welfare (which includes the requirements of economic development) requires that some commodities should be produced in greater quantities and some in smaller quantities than this criterion would dictate. The former will have to be subsidized, while the latter will yield excess profits which either should belong to or be captured by the public authority. The important thing is not to *avoid* subsidies and excess profits but to know in which lines of economic activity they are being paid or received, and to decide whether or not they are justified in the public interest. What is absolutely wrong and indefensible is not to know what various products cost and hence to have no rational basis for comparing their cost with their contribution to the social welfare.

All of the foregoing, you may complain, falls far short of providing, or even pointing the way to, a nice manageable formula for allocating investment among various possible alternative uses. I agree. But I do not feel inclined to apologize. The fact is that no such formula exists, and I think the search for one is as futile as the search for the end of the rainbow. Economic planning cannot be reduced to a set of rules and formulas. There is no substitute for the exercise of reason and judgment, and these will always vary with the state of our knowledge and experience. What economic planners can do is to strive to acquire as full and accurate a picture as possible of what the alternatives before them actually are. In this way, they may hope to make responsible choices, by which I mean choices that take account not only of the goals sought but also of the sacrifices which must be incurred in attaining them.

Let me add two qualifications: First, it seems to me that there is a restricted range of investment decisions which it may be possible to make by purely quantitative criteria. These are in the nature of marginal additions to or alterations in an already existing factory or method of production. These are definitely not the important investment decisions for an underdeveloped country, however. Second, I would not want to be interpreted as denying that there are mathe-

mathematical techniques for exploring the quantitative implications of a set of investment decisions, techniques which at the least can be useful in helping economic planners to discover and eliminate inconsistencies and hence to improve the quality of their performance.

Perhaps these qualifications will suffice to show that I am not in any way hostile to the kind of econometric studies in the theory of planning and investment programming that are being carried out in various parts of the world. I am glad that such work is going forward and expect that in time it will bear good fruit.

Our next pair of aspects is (c): *Formulating the plan — executing the plan*. In connection with the formulation of the plan, there are two main points to be made. First, responsibility for formulating the plan must necessarily be centralized. Various regions, industries, enterprises can and should make proposals, but in the very nature of the case they are not in a position to tell whether these proposals fit together with those of other economic units into a consistent whole. In an unplanned system, it is the function of the market to adjust the partial plans to each other, and at best it does so only *after* all sorts of mistakes have been committed and wastes have occurred. In a planned system, on the other hand, it is precisely the function of the planners to assume this responsibility and to do so as far as possible *in advance*, thus avoiding mistakes and wastes. This they can do only if they sit at the center and view the system as a whole. Second—and this point is closely related to the foregoing—the success achieved by the planners depends very largely on the extent and accuracy of the information they possess. There is thus an inner logic that drives a society which has embarked upon the path of planned development to seek always to improve and perfect its methods of gathering, processing, and interpreting statistical, technical, and other types of economically relevant information. I have no hesitation about predicting that Cuba will soon pass from being one of the most backward of Latin American countries in this field to being the leader and model for all the others.

It is in connection with the execution of the plan that we come to some of the most discussed problems in the field of planning. First, it is good to be able to note that there seems to be increasing agreement among practical planners and students alike that a large degree of decentralization of initiative and responsibility in the execution of the plan is both possible and desirable. It is necessary to add, however, that there are no fixed rules applicable at all times and

places. Obviously, in the early stage of planning—and you are entering this stage here in Cuba now—a considerable degree of centralization of responsibility for plan execution may be indispensable and desirable. But as local officials, industrial managers, etc., learn their jobs, it is possible to proceed with decentralization, as the experience of all planned economies shows.

A more controversial subject is the extent to which private enterprise is compatible with effective planning. As you know, this is still an unsettled question, and it is necessary to approach it without preconceived answers. Much depends on the particular circumstances. If the private sector is small and weak, it may find that it is to its own interest to cooperate voluntarily with the public sector in fulfilling the plan. This is an advantage an underdeveloped country has as compared to an industrially advanced country such as the United States where the private sector is very strong and constitutes the overwhelming majority of the economy. I simply do not believe that effective planning is possible under such conditions. But in any case, it is clear that *any* country that is serious about planning must lay down clear and explicit rules governing the relation between the private sector and the plan. If the private sector is then unable or unwilling to conform, the state simply has to take over. To refuse to do this would be to abdicate responsibility and to make a farce of planning, as indeed has happened in some capitalist countries that have announced their intention to establish a planned economy. On the other hand, if every one understands in advance that the government will take over in case of nonconformity with the plan, the chances that the private sector will behave itself will obviously be that much better.

Let me add here that I myself would remain a strong supporter of public as against private enterprise even if I were convinced that the private sector presents no danger to plan enforcement. The reason is that I *am* convinced that private property in the means of production is bound to be a continuing source of moral and political corruption. A society of genuine brotherhood, equality, and freedom is impossible as long as some men exploit the labor of others. Naturally, this does not apply to petty production of goods and services by individuals working for themselves or in cooperation with others.

Next we come to (d): *Planning in real terms — planning in financial terms*. That both are essential parts of the total planning process is probably obvious to everyone and needs no emphasis. Every

input and every output has two dimensions, a physical dimension and a value dimension, and planners must work with budgets and balances of both kinds. What is not so obvious is the nature of the interrelations between the two, and it is here that difficulties are likely to arise—or at any rate often used to arise before these matters were as well understood as they are today.

When a new plan is being introduced there are almost certain to be large reserves of unemployed human and material resources which can and should be mobilized for the tasks of economic development. The danger is that the problem of putting these idle resources to work will be seen exclusively in its physical aspect and that the financial implications will be overlooked. That way lies inflation, an economic disease that breeds corruption, injustice, waste, and political tension. The problem arises when insufficient account is taken of the fact that the physical aspect of investment is an increase of the means of production which will not be able to add to the output of consumable goods until later, while one of the financial results of investment is an *immediate* increase in the incomes of workers and the owners of other means of production. Once this connection is recognized, it is not hard for the planners to take the appropriate measures. Consumers' total money income (or more accurately, the total demand for consumers' goods and services) must be kept down to an amount not exceeding the predictable physical supply of such goods multiplied by their existing prices. This can be achieved by the stabilization of wage rates, by taxes, and by various savings schemes.

My own impression, for what it is worth, is that here in Cuba there is still insufficient understanding of the nature of the inflationary danger at lower governmental levels, but that the top leadership and those directly concerned with planning are fully aware of the problem and are in a position to take appropriate preventive measures.

Finally we come to (e): *Short-term planning — long-term planning*. For one who, like myself, is more interested in *political* economy than in the problems of economic administration and organization, the most interesting aspects of planning are to be encountered in this area. But it is not only personal interest that makes me want to emphasize these aspects. There is always the danger that in the early stages of economic planning, short-term, or even immediate, problems will bulk so large in the eyes of the planners that no attention will be paid to longer-range problems and the

measures which their eventual solution requires, not at some indefinite time in the future but beginning right now. To put the point in somewhat different terms, short-run and long-run planning are not two different activities which can be separated from each other in time and space. They are integral parts of the same process, and they must be carried on at the same time and under the same roof.

In order to illustrate what I mean, let me take an example from the history of the Soviet Union. When the Bolsheviks came to power in 1917, immediate problems were of overwhelming urgency and it might seem that there could have been no need and no possibility to consider long-run problems. To a large extent, of course, this was true. But not altogether. The Bolsheviks, as good Marxists, were convinced that science held the key to the future, and they set about *from the very day of taking power* to build the formidable educational machine which was destined to give them the lead in space exploration and rocketry 40 years later, and which has still to produce its full fruits. It is necessary to emphasize that this was not simply a matter of expanding the primary schools immediately and later on turning attention to secondary schools and institutions of higher learning. Above all, it was a matter of setting out *at once* to produce the scientists and teachers who could *mass produce* scientists and teachers when the youngsters of 1917 were ready for college and university. It is probably no exaggeration to say that if the Bolsheviks had neglected long-range planning during the terribly difficult days of the Civil War, when the temptation to concentrate all energies on the problems of survival must have been enormous, there would have been no sputniks to celebrate on the occasion of the 40th Anniversary of the Revolution in November 1957.

If this planning ahead even in the midst of a present time of troubles was important in 1917, it is much more so today when the world is moving with unprecedented rapidity. Things that seem fantastic and impossible today will be commonplace tomorrow—for those who are ready when the time comes. And the time to begin getting ready is today, not tomorrow.

This affects first and foremost the field of education, of course, just as it did in 1917. I would urge you in Cuba to make every effort to see this problem in its true importance and proportions. Educational reform, which you have started so well at the lower levels, must be extended at once to all levels, and most especially to the

## ECONOMIC PLANNING

highest level where the teachers and scientists of the future are already being created.

The same principles are also often applicable in the strictly economic field. I will confine myself to one example among many which I am sure could be easily selected by any one sufficiently familiar with the relevant facts. You have a great deal of unemployment now, and if conditions were as they were two years ago you could legitimately consider this to be Cuba's No. 1 problem. But I do not believe that this is any longer the case. Economic planning will automatically turn unemployment into a labor shortage in a matter of three or four years. You must start *now* to plan with this situation in mind. And this means: don't adopt methods of production simply because they create jobs; adopt the most rational methods, those which promise the greatest increase in productivity three, four, five, even ten years from now. For the present, create emergency jobs to absorb the unemployment for a temporary transition period.

It is obvious that in these brief, disconnected remarks I have hardly scratched the surface of the problems of economic planning. But I do hope that I may have succeeded in opening lines of inquiry and stimulating thoughts which can form the basis of a fruitful discussion.

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A revolutionary government with the backing of the people and the respect of the nation, after cleaning the various institutions of all venal and corrupt officials, would proceed immediately to industrialize the country, mobilizing all inactive capital, currently estimated at about 1500 million dollars, through the National Bank and the Agricultural, Industrial, and Development Bank, and submitting this mammoth task to experts and men of absolute competence, completely removed from all political machinations, for study, direction, planning, and realization.

—Fidel Castro, *History Will Absolve Me*, 1953

## WHY CUBANS RESENT THE U.S.

BY MANUEL PEDRO GONZALES

The following article on the sources of Cuban resentment against the United States is by a man with unique qualifications to understand the views and feelings of our southern neighbors. Manuel Pedro Gonzalez was born in the Canary Islands and educated in Cuba, receiving a Doctorate of Philosophy and Letters from the University of Havana in 1922. From 1924 until his recent retirement, he was Professor of Spanish-American Literature at the University of California, Los Angeles. Recently he has spent several months in Havana, and this article reflects not only his deep knowledge of Cuban history (he is the leading authority on the life and writings of José Martí) but also his first hand observations of conditions in Cuba under the revolutionary regime. To avoid misunderstanding, we add that we are not in complete agreement with everything Professor Gonzalez says. In particular we do not agree that the Cuban Revolution is a "bourgeois revolution of the New Deal type." Our own interpretation will be elaborated in the special July-August issue devoted entirely to Cuba.—The Editors.

On New Year's Day, 1959, Cuba and Fidel Castro catapulted into headlines, TV, and radio. Both have remained on the front page almost daily ever since. And yet, despite the great amount of news and commentaries imposed upon the American people, I wonder if the commentators themselves, or for that matter, our Department of State, have correctly understood the meaning of the long overdue revolution that has taken place in Cuba, or the international significance of Fidel Castro. I have noticed with apprehension the rather biased way in which some periodicals and news analysts interpret the revolution, and the tendency to dismiss Castro as a somewhat romantic, idealistic, immature, and fanciful young man. In not a few cases, indeed, Castro has been accused of being too radical, too irresponsible, and far too lenient and tolerant of the Communists.

The present temper of the Cuban people, the undisguised nationalistic slant of some of the legislation already enacted—particularly the Agrarian Reform Law—the frank animosity shown toward American vested interests in the island, and the legendary popularity that Fidel Castro enjoys among the Latin American masses, can be explained only in the light of history. All of this makes sense *only* if we interpret the events against a historical background—both political and economic—which is distasteful to Latin America.



## WHY CUBANS RESENT THE U. S.

This historical perspective is precisely what has been lacking in all the commentaries I have so far been able to read or listen to. To attribute these phenomena to Communist influence only, as is clearly the tendency, constitutes a grave and misleading mistake. An "agonizing reappraisal" is needed if we desire to avoid a major disaster in our own backyard.

Cuba and the Cubans have a long list of grievances against the United States, which began in 1826, at the Congress of Panama, where we opposed—and frustrated—the liberation of the island by the army of Simon Bolivar. In 1868, the Cuban people revolted against Spain. The war lasted ten years. They organized a civil government to which several Latin American countries granted rights of belligerency, but not the United States. This denial seriously handicapped the efforts of the patriots. Again, from February 1895, to 1898, the Cubans struggled heroically for their freedom in a much better organized war. A civil government exercised jurisdiction over all the liberated territory, and rights of belligerency were again granted to it by several countries, and once more denied by the United States — even after we entered the conflict. We wanted to purchase the island from Spain or annex it by other means; consequently, we refused belligerency. After the Cubans had fought for over three years and Spain had lost more than 200,000 soldiers—mainly due to yellow fever, which decimated her army—the United States declared war on Spain in April, 1898. The way the history of the Spanish American War is related in high school history texts in this country, is deeply resented in Cuba. No mention is made of the fact that no American soldier landed on Cuban soil until the Cuban army was concentrated in Oriente province to protect the disembarkation. No mention is made of the several thousand Cuban patriots who participated in that inglorious campaign. When the brief war was over, a peace conference took place in Paris in December, 1898. Despite the long efforts of the Cuban people to achieve independence, and notwithstanding the existence of a Cuban civil government, the United States barred the Cubans from the conference table at which the destiny of their country was to be decided. This high-handed behavior on our part created a deep resentment in the Cubans.

The attitude of the American people towards the island, as symbolized in two acts of Congress, is a two-faced Janus. These two acts stand for the two forces which guided and forced the hand of Congress in each case: The popular will, on the first occasion, and

the group of expansionist interests on the second. One act contradicted, negated, and nullified the other. On April 19, 1898, the Teller Resolution was adopted by Congress. It represents a glorious page in our history. It incarnated and gave expression to the noble and altruistic spirit of the American people. It proclaimed that Cuba was, and of right should be, free and sovereign, and ordered the reluctant McKinley administration "to leave the government and control of the island to its people."

However, the imperialist forces, momentarily arrested in 1898 by the strength of public opinion, surreptitiously crept back, and in 1902 imposed the Platt Amendment upon Cuba, thereby obliterating the Teller Resolution. The Platt Amendment not only tarnished the spirit of that Resolution, but converted Cuba into an economic dependency of Wall Street and a political vassal of the Department of State. As Harold Underwood Faulkner says after describing the process of Cuba's economic domination by Wall Street:

From all this, it is evident that Cuban wealth has fallen under American control and that Cuban political life from 1898 until 1934, and to some extent thereafter, has been largely directed from Washington. The result has been the impoverishment, degradation, and exploitation of the Cuban people. "Cuba," said one historian, "is no more independent than Long Island," and the history of her subjection presents a gloomy record. (*American Political and Social History*, 1941, p. 528.)

The resentment which the Platt Amendment generated has outlived its repudiation by Franklin D. Roosevelt in 1934. To the insult to Cuban dignity and sovereignty which it represented, we added the injury of Guantanamo Bay, an integral part of the island territory, which we took while Cuba was still occupied by our army in 1902. This dismemberment was a bitter pill for the islanders to swallow.

The complete economic domination of the island by absentee American capital; the unholy alliance between corrupt Cuban politicians and tyrants, on the one hand, and American diplomats and American business on the other (witness the extreme cases of dictators Machado and Batista, and Ambassadors Guggenheim, Gardner, and Smith); the fact that the United States has been practically the only market for Cuban products during sixty years, and the aggravating circumstance that we set the price of what they sell to and buy from us; the ever-present realization that the destiny and well-being of their country was at the mercy of the whims and good or ill will of

## WHY CUBANS RESENT THE U. S.

our politicians; the consciousness that Cuba was free and sovereign only in name, unable to fulfill and to work out its own destiny—all of this was largely responsible for a double attitude and political behavior on the part of the Cuban people, prevalent during the last fifty years. On the one hand, it has contributed to the disenchantment, cynicism, and corruption of a large segment of the population; on the other, it has engendered among the saner, more cultured and patriotic elements, a redemptive impulse, a compelling desire to rebuild Cuban political and economic life and to redeem the country from American subjugation.

The men who rule Cuba today may be naive, inexperienced, impractical, perhaps unfair in some aspects of the radical reforms they have introduced, but they are in earnest; they are intensely patriotic, nationalistic to the extreme, and disposed to eliminate political chicanery and corruption, as well as the more injurious aspects of American economic domination. For one thing, they represent, so far, the only honest government Cuba has enjoyed in 57 years of republican life.

As was to be expected, the Communists in Cuba—in all Latin America for that matter—are exploiting to the utmost, and very skillfully, all these grievances, all our mistakes, all our wrong-doings and abuses, all our past landings of marines and interventions. But to interpret the Cuban revolution and the necessary reforms it has adopted as Communism or Communist-inspired, would be a fatal mistake of possible dire consequences. Such a view and a consequent policy tending to bring about — by hook or by crook — the failure of Fidel Castro and his government, could lead only to the spread of Communism throughout Latin American. Whether we like it or not, the Cuban upheaval is a bourgeois revolution of the New Deal type; more radical, more violent and extreme, because, by comparison, the social, political, and economic circumstances of the island were much more acute. It is, fundamentally, an agrarian reform, intended to eradicate rural misery and poverty by distributing land to the indigent peasantry. You do not make Communists by converting the dispossessed into property owners.

Under somewhat similar conditions, we committed a serious error in Guatemala in 1954. That was one of the worst blunders of John Foster Dulles. After a well-financed campaign of publicity and propaganda to persuade the American people that the Jacobo Arbenz government was Communistic, John Foster Dulles went to Caracas

in March of that year and demanded from the members of the Organization of American States (OAS) a death sentence for the Arbenz regime. Some were reluctant, others even abstained from voting, but the majority bowed to Mr. Dulles' imperious request, and we became the executioners of that legitimate government recognized by us. Mr. Dulles doubtless really imagined himself as a valiant knight errant who had dealt a mortal blow to Communism in Latin America. He proclaimed the downfall of the Arbenz regime "a glorious victory." Few people in the United States today realize the tragic fact that the only beneficiary of that "glorious victory" has been the cause of Communism. Our single-handed intervention in that internal conflict; the truculent behavior of our then Ambassador to Guatemala, John Peurifoy; our condemnation of the agrarian reform; and our support of a despicable soldier of fortune like Carlos Castillo Armas—all produced a wave of indignation among the Latin American masses. A veritable literature of protest, very inimical to the United States, has appeared ever since, including several widely read books. What was the end result of that momentary "glorious victory"? The venal Castillo Armas was assassinated shortly after by a soldier of his own Presidential Guard; a tremendous amount of extremely unfavorable publicity condemning the United States; a sense of frustration and despair among the impoverished peasantry; and finally, the rehabilitation of, and admiration for the leaders of the revolution, Juan Jose Arévalo and Jacobo Arbenz. Arévalo—*persona non grata* to us—is today the most popular political figure of Guatemala and very likely will be elected President again.

While we have been pampering and decorating the hated dictators of Latin America, the Communists have cultivated the masses. In the long run, the masses will prevail. Unless our policy and our attitude change radically, we are heading for a most unpleasant surprise. Franklin D. Roosevelt and his very able Secretary of State, Cordell Hull, had a much clearer, more intelligent and realistic appraisal of Latin America than John Foster Dulles ever had. A corporation lawyer all his life, Mr. Dulles retrogressed to the old conception of Latin America as a private domain for the United States in which American big capital could expand and prosper. Rather than to Cordell Hull's, Mr. Dulles' policy was akin to that of James G. Blaine and Richard Olney, his late-19th-century predecessors in the Department of State. The new name he proposed for our policy was a mere accident or caprice. Roosevelt had called his the "Policy

## WHY CUBANS RESENT THE U. S.

of the Good Neighbor," but Mr. Dulles rebaptized his the "Policy of the Good Partner." Both terms are symbolic of two diametrically different conceptions and approaches. That of Roosevelt found an instantaneous and receptive response everywhere south of the border; Dulles', on the other hand, has been viewed with profound misgivings and distrust.

All the southern Latin American countries are going through a period of nationalistic fever, accompanied by revolutionary ferment. Both should be respected and, if possible, helped. Times and mores are changing rapidly. The new Latin America which is emerging from a century and a half of dictatorship and chaos, of political corruption and foreign exploitation, calls for tact, intelligence, and tolerance on our part. Let us not repeat the error of Guatemala or the foolishness of sending marines, as Mr. Dulles counselled when he thought the life of Vice-President Nixon was in danger in Caracas in 1958.

To return to the Cuban situation: We should not be surprised if similar revolutions take place in other Latin American countries. In Cuba, the long pent-up feelings of frustration, resentment, and despair exploded violently. For the time being, the Communist influence there is minor and remains under control. The very worst we could do is to try to undermine, directly or indirectly, the success of the revolutionary government, or to permit the Batista gang to purchase arms through other dictators. The revolution in Cuba, if it is properly and sympathetically understood, will be canalized along more moderate channels. If it is made to fail, the Cuban masses will embrace Communism, with dire consequences to us. As Herbert L. Matthews points out in a brilliant article which should be required reading for all our ambassadors to Latin America and the policy-making personnel in the Department of State, published in the *New York Times Magazine* of April 26, 1959, Castro is not a negligible leader. The way we handle the situation in Cuba will have widespread repercussions throughout Latin America.

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It is our destiny to have Cuba and it is folly to debate the question. It naturally belongs to the American continent.

—Senator Stephen A. Douglas, December 6, 1859

## SOME ECHOES OF JAZZ

BY KENNETH TYNAN

Two new films about jazz have lately been given private showings in New York. The contrast between them was sharp and instructive, as it could hardly fail to be, in view of the fact that one was made entirely by white men and the other entirely by Negroes. The former, entitled *Jazz on a Summer's Day*, is a full-length documentary, directed by Bert Stern and shot at the 1958 Newport Jazz Festival.

The feeling throughout is one of jamboree; the fans erupt into a normally staid New England resort, and for four days turn it upside down. The camera picks out the faces of dowagers, aghast at the tumult; it sweeps across the spectators who crowd the open-air auditorium, and zooms in on the singing, blowing, and perspiring performers. It shows us a pair of dancers jiving at dawn on a rooftop, and occasionally it flies out over the ocean to look down on the rich in their racing yachts.

The color photography is breathtaking. The jazz itself is, to say the least, eclectic—a dour snatch of Thelonious Monk; a glimpse of Gerry Mulligan, swaying back and forth at his baritone saxophone—that meerschäum among reed instruments—behind the moustached, immobile figure of Art Farmer on trumpet; a plethora of rock 'n' roll; an electrifying *zapateado* on drums by Chico Hamilton; an awful lot of Armstrong in his clowning, Uncle-Tom vein (as the late Billie Holliday once said, "Louis Toms from the heart"); a brilliant flanking attack on "Tea for Two" by Anita O'Day, into whose mouth the camera peers like a dentist; two glorious belts of gospel-singing from Mahalia Jackson; and a fulsome finale, with Miss Jackson wasting her magic on what I have come to think of as the Gracie Fields version of the Lord's Prayer.

There is very little in the way of blues: "We wanted," the director explains in a program note, "to make a happy jazz film, a film showing musicians and audiences enjoying . . . the wonderful experience of jazz." As a pictorial embodiment of the white (or

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*Kenneth Tynan is the distinguished drama critic of The New Yorker.*

"ofay") attitude towards the music, Mr. Stern's film could scarcely be bettered. It opens in Manhattan at the end of the month, and may well have a great success.

After these Newport frolics, *The Cry of Jazz* seems to speak from another world. I cannot imagine the general public flocking to it; indeed, it ran into stiff opposition when it was recently shown to the members of Cinema 16, which is the most adventurous film society in New York. Made in Chicago by a group of Negro intellectuals, *The Cry of Jazz* is thirty-five minutes of polemical documentary, with rehearsed dialogue interludes. It was shot on a shoestring, and looks it. The camerawork (black-and-white) is shoddy; the acting is self-conscious; and the musicians involved are not of the first rank.

*The Cry of Jazz* does not really belong to the history of cinematic art, but it assuredly belongs to history; it is the first film in which the American Negro has issued a direct challenge to the white, claiming not merely equality but superiority. The setting is a jazz club; a meeting has just ended, and a bunch of the members—two Negroes and two white couples—become engrossed in a discussion about the origins of jazz and its probable future. The debate is led by the club's Negro secretary, and while he talks the camera fills in the visual background with shots of slums, gospel meetings, jam sessions, etc.

Roughly summarized, his argument is as follows: only Negroes are capable of playing jazz, since the emotions it expresses do not derive from everyday agonies, common to both races, but from the specific pain that comes of being a Negro. The endlessly repeated chord sequences of jazz symbolize the chains that bind the Negro; within them, however, he is free to improvise at will. This combination of extreme freedom and extreme restraint produces the characteristic tension of jazz. But music of this kind is no more than an "eternal re-creation of the present"; it reflects "the improvised life that is thrust on the Negro." The white man has wiped out his past, and given him "a futureless future." Hence jazz. ("Is this a Mau Mau meeting?" asks one of the girls in the group accusingly.)

But now jazz is dead. It has exhausted its possibilities and its usefulness. The whites would like it to go on refining and repeating itself; but it is time for the Negro to escape from the present and take his place in America's future. He is already the conscience of America; his next task is to bring to birth the first true Americanism,

which will be "black Americanism." Listening to the film's message, I recalled a remark that Dalton Trumbo, the Hollywood script-writer, made to me last year: "When America is liberated from itself—or from the fragmented picture of itself that exists at present—it will be lifted by black hands."

After the Cinema 16 showing, the film and its complications were discussed by a panel consisting of Mark Kennedy, the co-author, Edward Bland, the director, Ralph Ellison, the colored novelist, and Marshall Stearns, the jazz historian. Everyone tried to be suave, but beneath the surface it was a peppery session. Mr. Ellison, who clearly disapproved of what he had seen, said that he looked upon Negro life not as a humiliation but as a discipline "out of which strong people can come." He felt that it was as important to suffer as to have a sense of evil. (Mr. Kennedy here interrupted to say that he wasn't sure that the Jews had benefited very much from their suffering under the Nazis.)

Mr. Stearns confined himself mainly to musicological comment. He disagreed with the thesis that jazz was dead, and added that, alive or not, it had long ceased to be representative of purely Negro aspirations. Not unnaturally, the most provocative contributions came from Messrs. Bland and Kennedy. Mr. Bland gently voiced his mistrust of Northern liberals who thought of Negroes simply as "statistics or social problems"; sooner or later they would have to accept—"with humility"—the idea that the Negro was going to be the next American hero.

A Caucasian in the audience asked Mr. Bland if we should follow Norman Mailer's example and become "White Negroes" or "hipsters." Mr. Bland sighed, and said that Negro hipsters were more often conservatives than radicals. They wore special clothes and spoke a special *argot*—why, he inquired, would a progressive Negro want to wear "a double uniform"? Mr. Kennedy, volatile and puckishly articulate, recounted how he and Mr. Bland had screened their film for the head of an advertising agency. The man was stunned. "What are you planning to do with it?" he said afterwards, "Sell it to the Russians?" But he was a liberal, Mr. Kennedy added blandly; why, he had *The Nation* and *The New Republic* spread out on his desk.

Politely dismissing the idea of racial partnership, Mr. Kennedy declared that white Americans must make common cause with the Negroes, if only to seek forgiveness. He did not believe that there would be a colored revolution, though he remarked that such a



## SOME ECHOES OF JAZZ

course had once been seriously discussed. (He was probably referring to the movement led in the 1930s by Marcus Garvey, who wanted the American Negroes to emigrate *en masse* to Africa.) Asked whether the film had a political purpose, Mr. Kennedy smiled and shot back: "We don't even vote!"

At one point a middle-aged man stood up and said, with obvious sincerity, that the film had left him feeling baffled and resentful. For many years he had worked alongside "five colored boys," all of whom were his friends; but now he was worried about what might happen to their friendship in the future. "How old are they?" said Mr. Kennedy, casually. They were in their forties, or thereabouts. "Then why," asked Mr. Kennedy softly, "do you call them 'boys'?" He went on to explain that Negroes habitually call each other "man" in reaction to a lifetime of being addressed by white folk as "boy." By the time he had finished, the middle-aged man had walked out. Shortly afterwards, a policeman came in and took the names of the people who were participating in the debate; it seemed that someone had put through an anonymous telephone call, alleging that the meeting was a deliberate attempt to stir up racial animosity.

I doubt myself, whether jazz is completely moribund, nor am I sure that the Negro alone will be the American messiah. However, what with mock-lynchings and lunch-counter demonstrations going on in the South, and the United States Senate in the throes of a filibuster to block a civil rights bill, it would be comforting if someone in authority were to give a firm and unequivocal answer to Mr. Kennedy's question: "Why do you call them 'boys'?"

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Yet do I marvel at this curious thing  
To make a poet black and bid him sing.

—Countee Cullen

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Our fight for freedom begins when we get to San Francisco.

—A Negro soldier returning from Okinawa, 1945

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The Constitution does not provide for first and second class citizens.

—Wendell L. Wilkie

## TOWARD A HISTORY OF THE NEW DEAL

BY GEORGE BRAND

To write the history of the New Deal is peculiarly the responsibility of the generation which reached maturity during the 1930s. Up to now the responsibility has not been discharged. And yet, if richness of material alone were enough, the job would do itself.

The record of the recent past in America is mountainous. It is hard to conceive of new caches of material which might cause a radical change in point of view toward the period. Most of the principal figures have left memoirs, diaries, or collections of letters and papers. Great stores of prime source material concerning the daily conduct of politics exist, readily available, in the *Congressional Record*, in the reports and hearings of Congressional committees, and in the proceedings of parties, to say nothing of the glacial flow of speeches, statements, and programs. Economic and social data multiply as if mass-produced. The daily newspapers alone pile up millions of pages a year. Beside all this, the valid record preserved, say, from classic Roman and Greek times appears like a single tuft of cotton beside a bale.

Some fifteen years have now passed since the death of Franklin D. Roosevelt, more than twenty since the beginning of World War II. That is to say, enough time has passed to give perspective. Yet historical writers have scarcely interrupted the flow of trivia about the Civil War to scratch at the surface of the materials on the depression of the 1930s and its aftermath. If anything, the silence is rather more profound on the Left than on the Right. The fact is that the state of historiography has rarely fallen lower. It is also a fact that mountainous or not, a store of materials alone does not guarantee the writing of good history. Point of view, it seems, also counts.

In the case of the New Deal, the point is proved best by examination of the one work of substance which sets out to examine the period and its origins in depth and as a whole—*The Age of Roosevelt* by Arthur M. Schlesinger, Jr.

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*George Brand is the pen name of a writer who was a Washington correspondent covering Congress during the New Deal.*

Two volumes of Schlesinger's work have appeared thus far, *The Crisis of the Old Order* and *The Coming of the New Deal*. As the titles of the separate volumes indicate, the work is cast big, with the evident design of embracing the whole New Deal period—in its social, economic, and cultural aspects as well as its politics, in terms of movements as well as individuals. The first volume ranges through most of the period following World War I, and in some cases goes back farther, tracing origins of ideas and institutions which matured during the New Deal. The second volume devotes some 600 pages to the two years 1933 and 1934. The writer in no way curbs himself for space, and he has quite evidently combed through huge piles of materials.

A historian of Schlesinger's academic rank and reputation scarcely needs accreditation here. Some readers, though, will be surprised by *The Age of Roosevelt*. These will nearly all be readers to Schlesinger's left, and their surprise will come from his books' merits. Schlesinger has been, of course, a principal voice of Americans for Democratic Action, a Stevenson egghead, an aggressive champion of the non-Communist-plus-red-baiting Left during the period when, for contrast, there was a Communist Left. His book *The Vital Center* was a classic demonstration of the potentially negative, destructive effect of a liberal's obsessive fear of identification with, or competition from, the Communists.

The first two volumes of *The Age of Roosevelt* quite legitimately take a place in the good and strong tradition of American history from Burgess through Robinson, Turner, Paxson, Parrington, and Beard. Schlesinger tries to add meaning to his text by analysis in some depth, moving from politics to economics and cultural affairs and back. He is not afraid to ascribe causes to events. And, above all, he is not afraid to plant his feet and take a position against the approved, orthodox leaders of the country. This last quality makes him nearly a freak among professional historians.

The historians today make a curious distinction between amateur and professional. In most fields, the professional is one who makes a living at his craft, sets the standards, and does the job best. The professional historian is simply a college teacher.

Practically no one makes a living writing history. Anyone writing history with passion is automatically suspected of being amateurish. The college teacher in a history department writes books because he must do so for advancement. Generally speaking he writes, therefore,

in a way to preserve his standing with department heads, deans, university presidents, boards of trustees, and ultimately anyone else to whom his own bosses are responsive. He criticizes the high-born, or the highly placed, only after a double look over both shoulders, and he surrounds the little kernels of criticism with a thicket of modifications, diminutives, and caveats.

Schlesinger, certainly a professional in the formal sense used by the historical trade, nevertheless does not fear to handle a man of Herbert Hoover's rank roughly. He is even willing to make small jokes at Hoover's expense: "If people sold apples on the street corners, it must have been because they could make more money doing that than doing something else. What jobs there were which offered even less security than apple-selling did not rouse his [Hoover's] curiosity."

More impressive still, Schlesinger cares about something, cares deeply. He has a genuine love of Roosevelt which lights up passages of his work. He tries hard to get hold of the man himself. His second volume, *The Coming of the New Deal*, ends with a 30,000-word passage which amounts to a profile of Roosevelt in office. I believe it is by a good margin the best appreciation of Roosevelt done yet—in some part I suppose because the other Roosevelt sketches have mainly been done by the true "professionals" of history picking over the old bones of Roosevelt hatred, or by Roosevelt's cabinet members and other colleagues who are writing variations on the theme of "Me and FDR."

With all that, Schlesinger's work has deep flaws, visible in the first volume, obvious in the second. The most important of these comes from one of the cornerstones of historiography, the matter of stance or point of view.

Clearly, historians can and do write from a number of points of view. Which is the best is a problem of the greatest philosophic difficulty. At one point it may have seemed to some of us that the answer was simple: that the only valid point of view was Marxist. The difficulty now is that it has not clearly been demonstrated in practice what a Marxist point of view in writing history is. Some principles can be enunciated, as, in the *Communist Manifesto*, the ringing declaration that "the history of all hitherto existing society is the history of class struggles"; or, from Marx's preface to the *Critique of Political Economy*, "the mode of production of the material means of existence conditions the whole process of social, politi-

## TOWARD A HISTORY OF THE NEW DEAL

cal and intellectual life." But principles take shape in application. It appears now that there have been rather startlingly few applications of Marxist principles in historiography. The best by far are a few genuinely brilliant essays in the history of revolutionary periods in 19th-century Europe by Marx and Engels themselves. For the United States in particular, it is hard to find useful Marxist historical writing.

But if the precise formulation, and demonstration, of a point of view remains a major problem, it is feasible to name some of the things wanted in a work of history. One wants a landscape illuminated. One wants to know *how it truly was*, and beyond that, *why it happened as it did*—what streams fed into what river which carried what human vessel to safe landing or the abyss. If the shape of the future cannot be projected through the underbrush of the present, at least some sense of motion and direction carried through at least two points of time, earlier and later, can be demanded. At these hurdles Schlesinger sometimes falters, sometimes fails.

Essentially, in the first two volumes of *The Age of Roosevelt* the point of departure, if not the point of view, is that of a smoke-filled room in Washington. But mark well, it is not a smoke-filled room occupied by politicians hatching a deal. It is a smaller room a little farther down the hall in which younger, more studious types, sublimely immersed in what they take to be the living stream of history itself, are drafting memos, speeches, and programs.

What follows from this is almost loving devotion to the memo writer's product. Schlesinger meticulously follows the threads of authorship of farm plans—or the details of an essentially unproductive international meeting like the London Conference of 1933—as if they were history itself, rather than the dim reflection of tensions and conflicts and dynamics in life.

Dean Acheson, when he was Secretary of State, at least on occasion conducted a remarkably lucid press conference. In one of these he was asked to estimate the chances of some maneuver or other succeeding in a forthcoming meeting of foreign ministers. In effect, Acheson waved aside the papers then being prepared for him within his bureaucracy; he minimized even his own powers as a negotiator. Instead he compared the meeting to a pressure gauge which serves principally to measure the build-up of forces in the real world outside the conference chambers. Schlesinger knows that something real exists in the country beyond the view of a room in Washington. From time to time he raises his sights, but the proportions come out wrong.

One obvious disproportion, which in a rather baffling way crops up in many works of American history, is the scant attention paid to the Congress. What happens on Capitol Hill in Washington is a true reflection of American politics. The House, whatever its limitations, still measures popular forces better than any other political instrument. In well over a thousand pages in his first two volumes, Schlesinger has not once swung the spotlight directly to a Congressional debate, nor has he once discussed in any depth the composition of either Senate or House. If the work were a biography of Roosevelt it might still be said that Congressional affairs are slighted, but it is in fact called *The Age of Roosevelt*.

The depression threw a third of the country into discard, and out of the lower depths of unemployment fascinating things grew. Among them were Hoovervilles, production-now and barter plans, other kinds of self-help coöps, and the unemployed councils. All of them together had a demonstrable effect on politics and administrative action, but they are mentioned literally in half a dozen pages at most, scattered through Schlesinger's text.

The unemployed movements, it might be said, were transitory. But one of the great, permanent, institutional changes in American life was the organization of unions in the basic industries. This feat peculiarly belongs to the age of Roosevelt. Schlesinger does sketch the beginnings of the CIO in his second volume, but the quality and fiber of the labor movement of 1934 are scarcely to be sensed in his account. In his pages the Wagner act emerges as—again—the product of legal draftsmen, not an emergency answer to seething, sometimes raging, discontent among industrial workers, plainly audible on Capitol Hill where politicians were rather more sensitive to moods in the country than were the memo writers.

Actually, 1934 was a year in which American politics acquired, for a time, a Right, a Center, and (incredible thought today) a Left. Here Schlesinger suffers from his residual hatred of everything touched by Communism. In connection with the San Francisco general strike of 1934, he describes Harry Bridges as "an archetype of the Communist hero" and as being "hard, suspicious, and reticent, without scruples and without illusions." The aftermath in fact demonstrated that Bridges did have, for example, scruples against accepting employer money or blandishments, and that such scruples, multiplied among other men, re-established labor organization in the West. "Lacking a defined political objective," Schlesinger writes,

"the general strike succeeded in provoking the community without intimidating it." At the time, it was possible to argue about the effects of the general strike. But the historian is not only entitled, he is obligated, to use hindsight. In retrospect, the general strike in San Francisco was the first high point in a series of bitter labor battles which were instrumental in shaping the New Deal into a genuine reform movement. The upsurge of labor also played its part in changing the politics of the amazingly skillful, subtle, and magnetic man who won the presidency in 1932 as a somewhat liberal Democrat holding conservative economic views. The great organizational successes of the later 1930s resulted from an interplay of politics and economic action both inside and outside the plant gates. The politics were a new variety in which labor had more influence than ever before or since. Roosevelt was far and away the most important formulator of the new politics. But the crucial question is, what changed him? It would be hard to find a better single answer than labor's outbursts in 1934—though Schlesinger summarizes these as "a year of defeats" for labor.

The blending of individual and general factors is one of the hardest requirements of the historian. Most do not seem to recognize the requirement, Schlesinger does—but his blend is by a large margin weakest and fuzziest when it comes to conveying the meat and substance of popular movements. And this works out peculiarly badly in regard to the New Deal period, because that was the one time, from the end of World War I to the present, when popular forces had a decisive voice in any great part of American affairs.

\* \* \*

Nearly 50 years ago, just two years before the outbreak of World War I, James Harvey Robinson published a collection of essays in history under the title, *The New History*. Robinson wrote full of hope that historical writing was about to escape "from the limitations formerly imposed upon the study of the past," by taking from related sciences those "discoveries which during the past fifty years have served to revolutionize our ideas of the origin, progress, and prospects of our race." He was equally optimistic about the future of the race as a whole: "History, the whole history of man and of the organic universe, seems just now to put the conservative arguments to shame. Indeed . . . it seems to justify the mystic confidence in the future suggested in Maeterlinck's *Our Social Duty*. Perhaps, as he believes, an excess of radicalism is essential to the equilibrium of life."

Little enough came of the New History, at any time. But in the past decade the academic professionals have moved exactly counter to Robinson's cheerful blueprint. Most of them do not come to grips with the substance of history at all; they substitute criticism of sources for analysis. In the words of Geoffrey Barraclough, a British professional historian viewing his peers with somewhat jaundiced eye, "Not only do historians as a body signally fail to seek out lessons of the past, but—in subconscious or conscious justification of this attitude—they deny that the past has any lessons to teach, or even any meaning. They frown, and carp, and pick holes. . . ."

Among his own peers, Schlesinger earns respect for swimming against a river of mediocre criticism, timid compilation, and sly or blatant apologetics for every reactionary aspect of American life. Examine the legion of Civil War books: in dismal procession the same lies stand forth. The outbreak of the Civil War is seen simply as a failure in "statecraft." The war itself is proclaimed as an effort to restore union, with as little mention as possible of emancipation as the ultimately indispensable war aim. And worst of all, the crimes of the Reconstruction Period are loaded over and over onto carpet-baggers and radicals.

Among the higher-browed professionals—that is, among those teaching in the more influential schools—the mutilations of history take more sophisticated forms, notable for display of erudition and for a certain literacy. The writing in this vein runs so dead against the precepts of the *Communist Manifesto*, without dignifying them with mention, that one might suspect the authors of setting forth slyly to disprove the very existence of class struggles. In fact, where Charles A. Beard illuminated his narrative of American history with descriptions of stress and tension and division, it is the academic custom today to take for granted the unity of American life. The simple pairs of opposites—rich and poor, debtor and creditor, black man and white—seemingly visible enough on the American scene, are simply ignored. John Higham, himself an academic professional, in an article in *Commentary* (February 1959) refers to this tendency as "the present cult of consensus." It is a tendency which goes along with an overall emphasis on conservatism (e.g., Clinton Rossiter's *Conservatism in America*).

As convincing a case as any is Daniel J. Boorstin who gives his latest work the seamless title, *The Americans: The Colonial Experience*. Higham refers in general to the "massive grading operation"



which scholars are now undertaking "to smooth out America's social convulsions." Boorstin in particular, starting from his very title page, treats the country as a monolith, slicked up and immutable, projecting a *status quo* in which the suggestion of change can scarcely arise. Does a military hero win civil office because of his popularity? Boorstin will see this act *not* as an omen or portent (of 33 presidents, six were highly successful generals, and at least seven more used military service to political advantage), but as a proof of classlessness: "Precisely because there was no military caste, the citizen-soldier easily found a place in American political life."

In the most embarrassing cases, Boorstin lends an aspect of seamless social structure to "the colonial experience" by some incredible feats of omission. His index, unbelievably, contains not a single entry on the topic "slavery." While it is true that servitude increased greatly in absolute volume in the first half of the 19th century, forced labor in several forms was of the very essence of "the colonial experience." As Beard put it (in *The Rise of American Civilization*), "A large part of the labor which underlay the social fabric of the American colonies was furnished by semi-servile whites imported under bond for a term of years and by Negroes sold into chattel slavery. This is one phase of American history which professional writers have usually seen fit to pass with but a sidelong glance . . . it seems probable that at least one-half the immigrants into America before the Revolution, certainly outside New England, were either indentured servants or Negro slaves."

The peculiar freeze which has fallen over historical writing fits the reactionary politics of the time. Schlesinger's *The Age of Roosevelt* is an honorable exception to a reactionary rule. But it is scarcely a beacon. And a proper history of the New Deal could be just that.

A surprising amount of the best and most enduring history has been written by defeated generals and statesmen out of office. Thucydides, Josephus, and Ibn Khaldoun serve as prototypes. The left-wing New Dealers of twenty years ago can hardly be said to have held office. Yet they took part in affairs of their time, and left enduring works, particularly in the form of a good part of the CIO and other new organization in basic industry. Assuredly they are barred from office today. They have had to fight against blacklisting in a dozen forms. Their political influence has been reduced to a vanishing point. With all that, they retain a great potential, and, equally, a responsibility. The potential springs from the fact that the United

States today, in the midst of its welter of commodities pumped into every possible social channel under high pressure, suffers cruelly from the deprivation of radical creativity. Stodgy politicians watch dumbly as cities gradually destroy themselves with bad housing and collapsing transportation. Cold-war imperatives demonstrate the loss of creative edge in basic science. Poisonous saturation of television with huckstering and payola reveals a moral vacuum in which moneygrubbing has rendered ideas of social control or betterment illicit.

In all this the essential lack is ideologic. And it is no accident that ideology sinks to brute levels in a time of general reaction. Omar, the Caliph who conquered Alexandria in the 7th century, is said to have observed about the Alexandrian library that if its books merely supported the Koran they were useless, but if they differed from it they should be destroyed, whereupon the greatest manuscript collection of antiquity served to heat the city's baths on a number of cold days. Senator Robert A. Taft (*A Foreign Policy for Americans*), praising the virtues of pioneers in America, asserted that they "carried with them one book, the Bible." Boorstin, a more sophisticated anti-ideologue, throughout his version of *the* colonial experience of *the* Americans, decries ideation and at one point remarks, perhaps somewhat testily, "We have too long been told that a 'unified' scheme of knowledge is required to give meaning and unity to society."

A leaven of radical thinking can again be produced in America. And surely one very big step toward doing it will be the historical reexamination of the last period in which such a leaven operated. It may well be that this remains the greatest responsibility of any who pretended to command of ideas in the period of the New Deal.

For much of the structure of that era, and certainly for an account of the growth of agencies and their legislative directives, Schlesinger has already done the basic work. But history with the fullness and dimensions of life, treating in particular the popular movements of the 1930s, must still be written. It will have to be a critical narrative which evaluates what was done well, what poorly. It must treat the labor movement in all its aspects, including descriptions among other things of the Communist movement, flinching neither from praise of courage and devotion shown in organizing drives nor from criticism of theorists who led a movement into a swamp.

New popular movements in the United States may not look for generals among leaders of the past. But they must certainly look for guidance in the historical record.

## A LETTER FROM A STEELWORKER

The following is a letter from a Midwestern steelworker. It constitutes a valuable supplement to our analysis of the steel strike in the February Review of the Month.—The Editors

When I finished your editorial "The Steel Strike in Perspective" my own wish was that there was some way of getting it published in *Steel Labor*, the official organ of the United Steelworkers Union. It is, in my opinion, the best thing of its kind I have seen. Not only is this a sound analysis from a socialist point of view, but one which I think most rank-and-file steelworkers who are concerned with the deeper issues of the strike could understand and accept. All credit to you for writing such a sound analysis in Greenwich Village, when all we can get out of Pittsburgh is homilies to former Ambassador Joe Kennedy and urgings to cooperate more fully in improving efficiency.

Permit me a few comments on your article. I do not think anyone can realize the extent of the courage and understanding displayed by the rank and file of the USW unless they were involved. The men were, at the start of the strike, angry at the union as well as the company, had little confidence in McDonald's leadership and were generally annoyed by the whole thing, although it was a lark for the first four or five weeks. During the strike itself, the union did a great deal to undermine the men's solidarity. Strike relief was scarce, invariably came out of local union or district strike funds and never out of the International treasury. Strike activities were avidly discouraged. There were few rallies, meetings, discussions or anything else which might have helped the membership to understand the issues until after the T-H injunction. Whatever was done to solidify the membership was done by the local union. Despite this, when the T-H "final offer" vote loomed as an immediate likelihood, the men understood the issue, were aware that what was involved was speedup and disciplinary action, cut back of work forces, etc., and would have voted someplace in the neighborhood of 90 percent against accepting the company's last offer. I think that from the propaganda point of view the company did more to convince the men of the need for sticking than did the union, although in the last month or so the union did issue a great

deal of material. However, it should be said that if the T-H vote had gone through, if the union would have been faced with the continuation of the strike, the results would have been dire. The wolf was indeed at many a door, and the International leadership of the USW showed itself pretty incompetent in handling relief problems and so on. Of course the worst sufferers were, as usual, the Negro and Latin American workers, as well as the large influx of southern white steelworkers who are relatively new on the scene (and becoming an even greater force in the union).

I am not sure that from now on, in the aftermath of the steel strike, the potential clash which you correctly say exists will come to fruition. I am convinced that the tendency for such a clash is growing stronger each day. But business unionism is very adept at finding loopholes to escape from having to put on the mask of militancy. How much longer they can escape I don't know, but I think that they have a little more time left. McDonald's "let's forget all about it and go back to the mutual trusteeship days" post-strike statement indicates as much. The AFL-CIO confab showed no particular tendency towards new directions, even though Brother McDevitt repeated all the old assertions about "organizing the unorganized." I am not sure that a McDevitt or a Meany are really capable of the job—or have the men in their organizations who are willing to do the job. The trade union movement has become a white collar and a good suit to too many of its functionaries to leave much gumption over for organizing. All this of course with suitable exceptions and hedgings, and a recognition of the fact that if monopoly decides to push hard enough the "good suit" boys will have to learn, if only to save their suits. Here is the rub, however. I am inclined to think that Big Business still feels the need to maintain some form of labor support for its foreign policy. (Harry Bridges, in a Chicago speech some months ago, said that "America's foreign policy must be stamped with the union label for export," or words to that effect.) As long as that is so, I don't think they will push a Meany or a McDonald all the way to the wall. As you point out, the Nixons and others who best understand the needs of their class will make sure this is so.

Let me once again express my appreciation, not only for your fine steel article, but for your fine magazine, which always stimulates, interests, and gives food for thought. And what more can socialists ask for?

MR

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## **WORLD EVENTS**

*By Scott Nearing*

### **Muscles, Money, and Brains**

After the NATO conference in December, 1959, there was much political gossip about Britain's intention to provide NATO's brains, leaving Germany to supply the muscle, and the United States to put up the money.

Ten years ago John Bull and Uncle Sam disagreed on China policy. London recognized the People's Republic promptly. Washington took the line that (1) Taiwan was China, and (2) since the Peking government was "impermanent rather than permanent," a little cold-shouldering would push it off the international sidewalk. On this crucial issue, history gives London a mark of "excellent" and Washington a large goose egg.

We write with some emotion on this subject, because a visit to People's China in 1957-1958 cost us our passports. Recently we saw the new British passport. It was good for five years, renewable for another five, and good for travel in any country in the world. Our most recent United States passport (issued in 1956) was good for two years and renewable for two years. It was stamped "not good for travel in the following areas": Albania, Bulgaria, Hungary, Israel, Egypt "and those portions of China, Korea, and Vietnam under Communist control."

On this issue of the right to travel, London once again seems to be providing the brains.

### **Bebes Under Arms**

Last month's *World Events* commented on the opposition and hostility directed against President Eisenhower by Latin American college students under their "Yankees Go Home" banners, and warned that teenage resistance is more consequential than diplomatic double-talk.

We have just read a "documentary" consisting of captions and eight photographs of a Cuban auto mechanic's family, including their son Luis, who at ten years of age is a member of the Juvenile Patrol organized by Castro's National Revolutionary Police. Luis

works hard at school, mindful of Castro's admonition that "children who do not study are not good revolutionaries." Juvenile Patrol members, now numbering 100,000, are taught judo and other self-defense techniques. Traffic duty in the streets teaches them the meaning of authority. They learn first aid, neatness, and discipline under the direction of the Revolutionary Police. Luis' mother is a member of the Women's Militia. His father belongs to the Workers' Militia. Rifles are provided for all militia members. Beginning with the grammar schools, the entire population is being mobilized under the slogan: Cuba for the Cubans.

For these details we are indebted to *U.S. News & World Report* (March 21, 1960). We cite them here as another illustration of the tide of anti-imperialism and anti-big-nation-bossism that is spreading from Asia and Africa into Latin America.

### Help For Cubans

"Help for the Cuban People" was the title of a David Lawrence editorial in *U.S. News & World Report* of March 21, 1960. Six and a half million Cubans are in serious trouble, Editor Lawrence wrote. He added: "Cuba is a nation in bondage." Cuban affairs, he said, have been messed up by a dictator who professes to be a friend of the Cuban people but who is acting as their worst enemy.

"How can the Cuban people get the truth?" asks Lawrence. "Almost without exception, the newspapers, the radio and television are controlled. . . . The Cuban people do not know the dangers they face. The truth must be given them at once."

This outburst made us smile. During the past year it has become increasingly evident that the Cuban people, under their present leadership, will be able to look out for themselves. However, Mr. Lawrence's expressions of concern for the welfare of the Cuban people did call our attention to matters nearer home.

We have spent the last six months traveling through the United States. Since early October, 1959, we have covered about 15,000 miles, taken part in 180 meetings and talked privately and publicly to about 10,000 people. Consequently, when we read David Lawrence's words we amended them thus: "The United States is a nation in bondage. . . . How can the American people get the truth? Almost without exception, the newspapers and the radio and television stations are controlled. . . . The American people today do not know the danger they face. The truth must be given them at once."

### More About People's China

A. Doak Barnett was born in China and educated in the United States. After a wartime tour of duty in the United States Marine Corps he turned his attention to Asia. As a newspaper reporter, a member of the State Department, the American Universities Field Staff, the Council on Foreign Relations, and presently on the staff of the Ford Foundation, Mr. Barnett has spent six years in first-hand study of Asian problems and has contributed articles to a wide range of periodicals. In 1959 the National Planning Association published his *Communist Economic Strategy: the Rise of Mainland China*. In 1960 Harper's published, for the Council of Foreign Relations, his *Communist China and Asia*, with a sub-title, *Challenge to American Policy* (575 pages, including numerous footnotes, a bibliographical commentary, and an exhaustive index, \$6.95).

His background as a graduate of Yale University and his many years of association with conservative organizations and institutions, provide Mr. Barnett with a security clearance that should give his conclusions entry into the most respectable and exclusive circles. By way of further qualification, the author regards Communism as a menace and views with alarm the existence of the Chinese People's Republic. The later chapters of *Communist China and Asia* are devoted to a program for holding the line against the danger of further Communist expansion.

We cite these details at some length because we wish to quote some of Mr. Barnett's conclusions concerning the development, tempo, and stability of the Chinese People's Republic.

On page 1 of the book, the author states that after a century of revolutionary upheaval, "China has emerged as one of the most dynamic, disrupting and disturbing influences on the world scene." Three pages later, he adds, "To the Communists, the achievement of political power on the China mainland was merely the beginning, not the culmination of their revolution. . . . Within China they have engineered one of the most tremendous and startling revolutions in history. They have mobilized the Chinese people to take part in what may well constitute the most impressive outburst of disciplined human activity ever witnessed."

Chinese economy and its rapid development get special mention: "Despite the immense problems which it still faces, Peking has effectively mobilized the skills and resources of China." "Communist China is now building up its economy at a rate as high as or higher



than that of any other underdeveloped country." "Communist China's rate of economic growth now appears to be almost double that of India, and in a few years Peking will probably have built a base of heavy industries overshadowing that of Japan." "On the basis of Peking's performance since 1949, it is only prudent . . . to assume that Communist China will continue to make important economic advances." "Communist China's impressive rate of economic growth may also have a profound psychological impact in the rest of Asia and elsewhere among the peoples of underdeveloped countries."

After noting that Chinese economic development is providing "an impressive model of dynamic growth" for other Asian countries and "helps make Communism an irresistible force throughout Asia," the author reports that "Peking genuinely sees the world as engaged in a prolonged, continuous and intense revolutionary struggle. . . . The Chinese Communists think in terms of constant change and developing processes rather than static situations, and in terms of unlimited and worldwide revolutionary aspirations rather than limited national aims."

After surveying other aspects of life and policy in People's China, the author concludes: "In the years immediately ahead, there is little prospect, therefore, either for an overthrow of the Peking regime from within or for a return to the mainland by the Chinese Nationalists."

Comments favorable to Communist China have appeared in print frequently during recent years. Many of the commentators believed in the developments and were anxious to publicize them. Mr. Barnett's conclusions are doubly impressive since they come from an outspoken opponent of the Peking government, its ideology, and its policies.

### Two To One

Basic to all capitalist economy is the principle of expansion. Capitalists make profits, spend a part to supply personal needs, and turn the balance into new capital investment—mines, factories, machines. New capital produces more goods and yields added profits, which provide greater investments funds. After each "prosperous" year the capitalist must find wider markets for his goods and his investment-seeking capital.

"Our economy must continue to expand" is a slogan for the individual capitalist and for the entire capitalist structure.

Expanding markets mean more buyers and more borrowers. Buying depends on demand. Borrowing is based on credit. Both buying and borrowing which pay profits to the seller and the investor, depend upon finding a market for goods and capital.

Only a few years ago half a dozen great capitalist powers, with Britain in the lead, were scouting the planet for goods and capital markets. Although Europe, Asia, Africa, Australia, and the Americas were happy hunting grounds for free enterprisers, the hunters with their expanding economies produced more goods and capital than the world market could absorb.

If capitalism ceased to expand, it was unable to market its goods and investment capital, and consequently suffered from depression. If it did expand in a competitive struggle with its capitalist rivals, the struggle for markets plus arms races led into destructive wars.

Momentarily, war spending and borrowing has expanded the market for goods and capital, but it has left behind a trail of destruction and suffering that has turned the survivors against war, war-makers, and war profiteers. War also opened the way for colonial and dependent people to free themselves from the yoke of capitalist imperialism and set up national housekeeping on their own account.

Throughout the past fifty years we have seen this drama move across the world stage. At the beginning of the play, there were half a dozen star actors, all capitalist empires. Today all but one of the stars have dimmed or disappeared.

Meanwhile, beginning in 1917, broadening attempts have been made to build a collective society that would equal and excel capitalism. The Soviet Union began the effort in 1917. After 1945 a dozen other nations set out on the socialist road. In 1910 there were half a dozen capitalist great powers. Fifty years later, in 1960, there is one great capitalist power and two great socialist powers. In 1910 the score was capitalism 6: socialism 0. In 1960 it is socialism 2: capitalism 1.

### **Steps Toward A Stable Economy**

United States citizens, like their counterparts in other power-age economies, are growing uneasy under the pressure of automation and other labor-replacing techniques. Nowhere have we seen this problem more effectively presented than in an article by Edward W. Ziegler in *The Nation*, March 19, 1960. Three economic pressure

groups are feeling the onset of the current technological revolution, writes Mr. Ziegler, the salaried managerial and professional class, the wage-earning work force, and fixed-income retired people whose wellbeing depends chiefly on a stable price level. Members of all three groups are victims of the economic upsets resulting from the technological revolution. All three are looking for means to regularize and stabilize the United States economy.

For what they are worth, we would like to offer several suggestions that would help to develop economic equilibrium in the United States:

(1) Apply science and engineering to the planning and administration of human society as they have been applied to the control, conservation, and utilization of natural resources.

(2) Direct social science and technology into channels that will meet the most imperative needs of the greatest numbers, particularly of the oncoming generation.

(3) Provide an adequate and stable flow of the goods and services which meet the basic requirements and satisfy the aspirations of human beings.

(4) Ask and expect every adult human being to contribute time and energy toward the maintenance and improvement of the community.

(5) Distribute abundant goods and services according to need.

(6) Through public ownership of natural resources and the social means of production bring to an end private monopolies, private job ownership, unearned income, and the exploitation of man by man.

(7) Minimize free-booting; curb grafting, corruption, and gambling, particularly on stock and produce exchanges. Make "greed" a dirty word (greed being the effort to get more after the greedy person already has enough).

(8) Establish and maintain a working balance throughout the social structure.

We do not make any claims to originality in this formula for a better, brighter, happier America. We do urge it as an alternative to the negative, depressing, and corroding "fear this" and "hate that" propaganda that is at present confusing, frustrating, and crippling the American people.

## WHERE WE STAND

BY THE EDITORS

During the early years of the 20th century the subject of socialism was widely and eagerly discussed in the United States. Eugene V. Debs, socialist candidate for president, polled close to 1,000,000 votes in 1912—the equivalent of approximately 3,000,000 votes in the 1948 election. The popular interest in socialism was reflected in an enormous sale of socialist literature. *The Appeal to Reason*, a weekly, had a circulation of more than 300,000 for several years; pamphlets by Oscar Ameringer were printed in editions of hundreds of thousands; books by Bellamy, Upton Sinclair, and Jack London ranked with the best-sellers of the day.

This widespread interest in socialism has declined to such an extent that today it would probably not be an exaggeration to say that for the great majority of Americans "socialism" is little more than a dirty word. This is an extraordinary situation because it occurs at the very moment that a large proportion of the rest of the world is moving toward socialism at an unprecedentedly rapid rate. It is a deeply disturbing situation because there are still many Americans who believe with us that, in the long run, socialism will prove to be the only solution to the increasingly serious economic and social problems that face the United States.

It is because we hold firmly to this belief that we are founding *MONTHLY REVIEW*, an independent magazine devoted to analyzing, from a socialist point of view, the most significant trends in domestic and foreign affairs.

By "socialism" we mean a system of society with two fundamental characteristics: first, public ownership of the decisive sectors of the economy, and second, comprehensive planning of production for the benefit of the producers themselves.

The possibility and workability of such a system of society are no longer open to doubt. Socialism became a reality with the introduction of the First Five Year Plan in Soviet Russia in 1928; its

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*Reprinted from Vol. I, (May, 1949) and the first issue of every subsequent year.*

power to survive was demonstrated by the subsequent economic achievements of the USSR during the '30s, and finally, once and for all, in the war against Nazi Germany. These facts—and they are facts which no amount of wishful thinking can conjure away—give to the USSR a unique importance in the development of socialism and in the history of our time.

We find completely unrealistic the view of those who call themselves socialists, yet imagine that socialism can be built on an international scale by fighting it where it already exists. This is the road to war, not to socialism. On the other hand, we do not accept the view that the USSR is above criticism simply because it is socialist. We believe in, and shall be guided by, the principle that the cause of socialism has everything to gain and nothing to lose from a full and frank discussion of shortcomings, as well as accomplishments, of socialist countries and socialist parties everywhere.

We shall follow the development of socialism all over the world, but we want to emphasize that our major concern is less with socialism abroad than with socialism at home. We are convinced that the sooner the United States is transformed from a capitalist to a socialist society, the better it will be, not only for Americans, but for all mankind.

We believe that there are already many Americans who share this attitude with us and that their number will steadily increase. We ask for their financial support, their assistance in extending our circulation, and their advice as to how MONTHLY REVIEW can best serve the cause of socialism in the United States.

*Clarity about the aims and problems of socialism is of greatest significance in our age of transition. Since, under present circumstances, free and unhindered discussion of these problems has come under a powerful taboo, I consider the founding of this magazine to be an important public service.*

PROFESSOR ALBERT EINSTEIN

in his article "Why Socialism?" in Vol. I, No. 1



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(continued from inside front cover)

professional economists and will probably be found too technical for most laymen.

We are in process of making up the Baran pamphlet, *Marxism and Psychoanalysis*, and will be mailing it out before the end of May. Because of technical printing reasons, we discovered that we had extra pages to fill and have decided to include as an appendix the article on the Soviet view of psychoanalysis by Dr. D. Fedotov together with the reply by Dr. Norman Reider, both of which appeared in MR two years ago. The pamphlet now includes, in addition to this appendix, Baran's original "Marxism and Psychoanalysis" article; replies by Drs. Aron Krich, Nathaniel Lehrman, Norman Reider, and Peter Neubauer; and a rejoinder by Professor Baran. More than half of the material has never been published before. We feel that this is a real bargain at 50 cents.

We have received a request from Janet Jagan, General Secretary of the People's Progressive Party of British Guiana, that we publish an appeal to MR readers to send unneeded books to the Guardian Library, 41 Robb Street, Lacytown, Georgetown, British Guiana. This library is operated by the PPP and is open to all interested Guianese. Books on the following subjects are particularly wanted: problems of underdeveloped countries, economics, political science, history, art, literature, and philosophy.

Jim Aronson and Russ Nixon, both of the *National Guardian*, will be the speakers at a meeting which we think will be of special interest to many MR readers. The subject is "The New Rise of German Nazism" (both speakers were with the American occupation forces at the end of World War II). The place: New York Center, 227 W. 46 St. The time: May 12, 8 p.m. Admission: \$1.50.

Letter of the month, from a small town in Minnesota: "Sorry to be late with my renewal. I must have my *Monthly Review*. Your editorial in the January issue on what we can expect in the Golden Sixties is surely food for thought. So few people know anything about our world situation, and most of them would rather not know. I think you do a wonderful job and realize it is pretty much of a thankless one too." Our correspondent is wrong about the last point. The job we are doing at MR is anything but thankless—in fact it is the most rewarding job we can imagine.

As of mid-April, the editors retired to a secret hideout away from friends, telephones, and enemies, to concentrate on writing up the material accumulated on our recent trip to Cuba. Aside from a brief visit to the city for the anniversary meeting, we intend to remain incommunicado until the special July-August issue on Cuba is finished.

*Monthly Review Associates invites you to hear*

## REPORT ON CUBA

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
*who have just returned from Cuba*

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